Robert S. Eaton

Direct Phone: 202.373.6660 Direct Fax: 202.373.6001 r.eaton@bingham.com

July 13, 2007

Via Electronic Filing

Ms. Marlene Dortch Secretary Federal Communications Commission The Portals, TW-A325 445 Twelfth Street, SW Washington, DC 20554

Re: Ex Parte Notice -- Rural Health Care Support Mechanism, WC Docket No. 02-60

Dear Ms. Dortch:

On July 12, 2007, Jim Mormann, Chief Information Officer for Iowa Health System ("IHS"), Sabra Rosener, Director of Government Affairs for IHS, Pamela Delagardelle, Chief Executive Officer of Grundy County Memorial Hospital, and Douglas Orvis and Robert S. Eaton, from Bingham McCutchen LLP, outside counsel to IHS, met with Jeremy Marcus, Thomas Buckley, Cindy Spiers, Greg Guice, Richard Kwiatkowski, Melissa Kirkland and Elizabeth Valinoti from the Wireline Competition Bureau, to discuss the merits of IHS's application for grant funds pursuant to the Commission's Rural Health Care Pilot Program established in the above-referenced docket. The attached materials were used in the presentation.

Pursuant to Section 1.206(b) of the Commission's Rules, this letter and attachment are being submitted for inclusion in the referenced docket. Please direct any questions to the undersigned.

Sincerely yours,

Douglas D. Orivis II Robert S. Eaton

Counsel to Iowa Health System

Boston
Hartford
Hong Kong
London
Los Angeles
New York
Orange County
San Francisco
Santa Monica
Silicon Valley
Tokyo
Walnut Creek

Bingham McCutchen LLP 2020 K Street NW Washington, DC 20006-1806

> 7 202.373.6000 9 202.373.6001 bingham.com

A/72091387.1

Ms. Marlene Dortch July 13, 2007 Page 2

cc:

Jeremy Marcus
Thomas Buckley
Cindy Spiers
Greg Guice
Richard Kwiatkowski
Elizabeth Valinoti

Enc.



lowa Health System FCC Rural Health Care Pilot Program

07/12/07

IHS FCC Rural Health Care Pilot Program Agenda



- I. Who is Iowa Health System?
- II. What is HealthNet?
- III. HealthNet Goals
- IV. HealthNet Support
- V. Budget Summary
- VI. Application's Benefits

IHS FCC Rural Health Care Pilot Program Iowa Health System . . .



- First and largest integrated health care system in IA
- System of 10 senior affiliate hospitals in 7 different regions and 14 rural hospitals in other lowa communities
- ➤ 450 Physicians and 125 Clinics
- 80 communities in Iowa, Illinois, Nebraska, and South Dakota
- Revenues of \$1.8 Billion in 2006
- ST LUKE'S
 Source City
 North Source City
 So

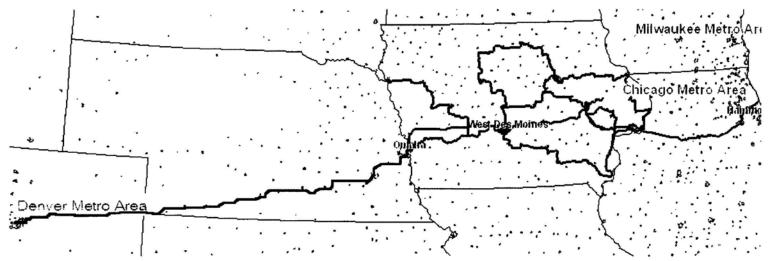
- Currently owns and operates 2,000+ route miles of private fiber optic network connecting affiliates and clinics at multi-Gigabits per second
- Significant experience in telemedicine and telehealth systems

IHS FCC Rural Health Care Pilot Program HealthNet is . . .



- Private 3,000+ route miles of fiber optic network in Iowa and extending to Chicago and Denver
- A multi-million dollar IHS investment to make connectivity available to urban and rural health care providers

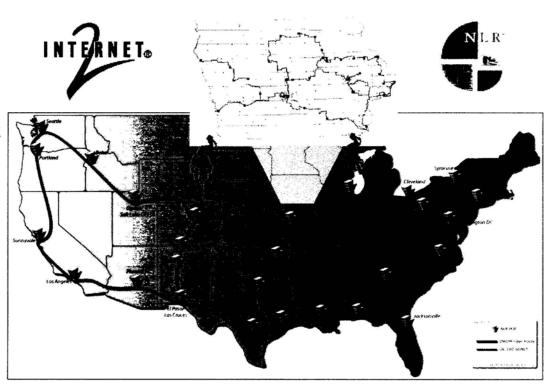
- FCC Pilot program funds would extend access to health care providers across Iowa
- Connectivity options include Iowa telecom providers Qwest and Iowa Telecom



IHS FCC Rural Health Care Pilot Program HealthNet Goals . . .



- Increase non-discriminatory connectivity for all health care providers in the region
- Extend IHS's privately owned fiber optic network to serve as a foundation for:
 - Telemedicine
 - Telehealth
 - Health records exchange
 - Secure data exchange and storage
 - Disaster recovery and coordination
 - Health care related research and documentation
 - Internet 2 and/or NLR access



Regional Health Care Network connecting to the National Health Care Network

IHS FCC Rural Health Care Pilot Program HealthNet Support . . .





Senator Charles Grassley Senator Tom Harkin



Congressman Leonard Boswell **Congressman David Loebsack** Congressman Tom Latham **Congressman Bruce Braley Congressman Steve King**



Iowa Telecom



Qwest Communications





Principal Financial Group



Wellmark BlueCross BlueShield



National LambdaRail



UnitedHealthcare

. . . Comes from providers, payers, and telecom companies.

IHS FCC Rural Health Care Pilot Program HealthNet Budget . . .



- \$12.8 Million project with \$7.8 Million requested from FCC
- Grant funds received from the FCC will be spread across eligible entities agreeing to connect to HealthNet
- Grant funds would be used for expanding the network to rural health care providers
- No funds are sought for operating expenses or for reimbursement of investments already made
- Operational Expenses will be recouped via:
 - 1. Non-qualifying entities would pay proportionate use fee; 100% capital costs
 - 2. Qualifying entities would pay lower rate fee; Grant funds would pay for access





IHS FCC Rural Health Care Pilot Program HealthNet Application . . .



- 1. Backbone fiber already exists
- 2. Dedicated solely to healthcare
- 3. Open to **ALL** health care entities without prior commitment
- 4. Grant funds are not required for ongoing operations
- 5. FCC application doesn't require waivers or special treatment

IHS FCC Rural Health Care Pilot Program



Q & A